IN THE CLAIMS:

Please amend the claims as follows:

1. (Currently amended; Previously amended) ~~A recess within a wall of a~~An expandable tubular, ~~serving as~~comprising: an outer wall having a recess formed therein, the recess defining a housing for one or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors.

2. (Currently amended) The ~~recess~~expandable tubular of claim 1, wherein ~~said wellbore includes an open hole portion such that said expandable tubular is expanded~~the expandable tubular is in an expanded state and the outer wall is ~~into~~ substantial contact with ~~the formation~~a wall of a wellbore.

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3. (Currently amended) The ~~recess~~expandable tubular of claim 1, wherein ~~said wellbore defines a cased hole completion such that said expandable tubular is expanded~~the expandable tubular is in an expanded state and the outer wall is ~~into~~ substantial contact with ~~the~~ casing disposed in a wellbore.

4. (Currently amended) The ~~recess~~expandable tubular of claim 2, wherein said recess comprises:

a first ~~arcuate~~ wall having a first end and a second end; and

a second wall having a first end and a second end, said first and second ends of said first and second walls being connected so as to define a housing between said first and second walls; wherein at least one of the first and second walls is arcuate.

5. (Currently amended) The ~~recess~~expandable tubular of claim ~~6~~4, wherein said first and second walls are connected at first and second opposite points.

6. (Currently amended) The ~~recess~~expandable tubular of claim ~~6~~4, wherein said first and second walls are connected by first and second opposite end walls.

7. (Currently amended) The ~~recess~~expandable tubular of claim 1, wherein said expandable ~~downhole~~ tubular is a sand screen for use in a wellbore within a formation.

8. (Currently amended) The ~~recess~~expandable tubular of claim 7, further comprising a filler material to aid in holding the one or more of the following: control lines, instrumentation lines, fiber optics, and downhole sensors, within said recess.

9. (Currently amended) The ~~recess~~expandable tubular of claim ~~6~~4, wherein said first and second walls are both arcuate.

10. (Currently amended; Previously amended) The ~~recess~~expandable tubular of claim 1, further comprising an encapsulation within said recess, the recess serving as a housing for one or more of the following: control lines, instrumentation lines, fiber optics, and downhole sensors, which reside within said encapsulation.

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11. (Currently amended) The ~~recess~~expandable tubular of claim 10, wherein ~~said expandable downhole tool~~the expandable tubular is a sand screen for use in a wellbore within a formation.

12. (Currently amended) The ~~recess~~expandable tubular of claim 11, wherein said wellbore includes an open hole portion such that the sand screen is expanded into substantial contact with the formation.

13. (Currently amended) The ~~recess~~expandable tubular of claim 11, wherein said wellbore defines a cased hole completion such that said sand screen is expanded into substantial contact with the casing.

14. (Canceled) The recess of claim 11, wherein said sand screen comprises a perforated base pipe layer, a filtering media layer around said base pipe layer, and a perforated outer shroud around said filtering media layer, and wherein said recess resides within said outer shroud.

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15. (Currently amended) The ~~recess~~expandable tubular of claim 11, wherein said encapsulation is fabricated from a deformable material.

16. (Currently amended) The ~~recess~~expandable tubular of claim 15, wherein said encapsulation further serves as a housing for at least one metal tubular, said at least one metal tubular housing said one or more of the following: control lines, instrumentation lines and downhole sensors.

17. (Currently amended) The ~~recess~~expandable tubular of claim 16, further comprising a filler material to aid in holding the one or more of the following: control lines, instrumentation lines, fiber optics, and downhole sensors, within said encapsulation.

18. (Currently amended) The ~~recess~~expandable tubular of claim 11, wherein said encapsulation defines a crescent shape.

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19. (Previously added; Currently amended) The ~~recess~~expandable tubular of claim 1, wherein the recess comprises at least one arcuate wall.

20. (Previously added; Currently amended) The ~~recess~~expandable tubular of claim 10, the encapsulation further comprising at least one arcuate wall.

21. (Previously added; Currently amended) The ~~recess~~expandable tubular of claim 10, the encapsulation further comprising:

a first arcuate wall having a first end and a second end; and

a second wall having a first end and a second end, said first and second ends of said first and second walls of said encapsulation being connected so as to define a housing between said first and second walls of said encapsulation.

22. (Previously added; Currently amended) An apparatus for use in well completion operations, comprising:

an expandable tubular; and

one or more of the following located within an outer wall of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors,

wherein the one or more of the following located within the outer wall of the expandable tubular is protected during the expansion process.

23. (Previously added; Currently amended) The apparatus of claim 22, wherein the one or more of control lines, instrumentation lines, fiber optics, and downhole sensors are housed within a recess in the outer wall of the expandable tubular, wherein the recess protects the one or more of control lines, instrumentation lines, fiber optics, and downhole sensors during expansion of the expandable tubular.

24. (Previously added; Currently amended) The apparatus of claim 23, ~~wherein~~further comprising an encapsulation ~~is located~~disposed within the recess.

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25. (Previously added) The apparatus of claim 24, wherein the encapsulation is generally shaped to conform to the recess.

26. (Previously added) The apparatus of claim 24, wherein the encapsulation generally complies with the expandable tubular as it is expanded against a formation.

27. (Previously added) The apparatus of claim 23, wherein the recess comprises at least one arcuate wall.

28. (Previously added) The apparatus of claim 24, wherein the encapsulation comprises at least one arcuate wall.

29. (Previously added; Currently amended) A method for controlling downhole tools or instruments through an expandable tubular from a surface of a wellbore, comprising:

running an expandable tubular having [one or more of] one or more of the following disposed within a recess formed in an outer wall of the expandable tubular: control lines, instrumentation lines, fiber optics, downhole sensors, data acquisition lines, and communication lines; and

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expanding the expandable tubular, wherein the one or more of the control lines, instrumentation lines, fiber optics, and downhole sensors is protected during the expansion.

30. (Canceled) The method of claim 30, wherein the one of more of control lines, instrumentation lines, fiber optics, and downhole sensors is located within a recess within the wall of the expandable tubular.

Please add the following new claims:

31. (New) An expandable sand screen tool for use in a wellbore within a formation, the tool comprising:

a perforated base pipe layer,

a filtering media layer around the base pipe layer;

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a perforated outer shroud around the filtering media layer, and wherein a recess is formed in a wall of the outer shroud; and

an encapsulation disposed within the recess; the recess serving as a housing for one or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors.

32. (New) The expandable sand screen tool of claim 31, wherein the recess is formed in an outer surface of the wall.

33. (New) The expandable tubular of claim 1, wherein the outer wall comprises a first thickness and the recess is formed within the first thickness.

34. (New) The expandable tubular of claim 1, wherein the recess defines a housing for two or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors.

35. (New) The expandable tubular of claim 1, wherein the recess is entirely disposed within the outer wall.

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36. (New) The expandable tubular of claim 1, wherein the outer wall comprises an outer surface and an inner surface with a thickness therebetween, and wherein the recess is entirely disposed within the thickness.